(b) The latest Union Budget (2004-05) has underlined enhancing investment - both public and private - in industry, as a thrust area, and has reiterated the commitment to remove inadequacies in infrastructural facilities. Specific measures aiming to enhance investment like increasing Foreign Direct Investment (FDI) ceiling in civil aviation, and setting up an Investment Commission for inviting domestic and foreign businesses to invest in India, have already been taken.

(c) No, Sir.

(d) Does not arise.

Grain export assistance

1180. SHRI EKANATH K. THAKUR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that his Ministry has given an "in-principle' nod for Rs. 300 crores grain export assistance for the current fiscal;

(b) whether it is also a fact that his Ministry's clearance has been obtained for giving assistance to traders at the rate of Rs. 900 a tonne for wheat and rice exports; and

(c) if so, whether these exports are likely to affect the country's food security?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) A proposal in this regard received from Ministry of Commerce and Industry has been considered by the Committee on Non-Plan Expenditure and is awaiting the decision of the Government. •

Tax refund

†1181. SHRIMATI SAVITA SHARDA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have any proposal to deposit the tax refund in many cities of the country directly into the bank accounts of the tax-payers instead of refunding the same through cheque; and

†Original notice of the question was received in Hindi.

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (**SHRI** S.S. PALANIMANICKAM): (a) Yes, Sir.

(b) Electronic Clearance of refunds through the Electronic Clearing Scheme of Reserve Bank of India has been introduced on pilot basis in 12 cities for direct credit of refunds into the Bank account of the tax-payers. The scheme is of optional nature and is limited to salaried tax-payers with refund not exceeding Rs. 25,000/-. This scheme is operational from March, 2004.

Freeze on operations of co-operative banks

1182. SHRI TARIQ ANWAR: Will the Minister of FINANCE **be pleased** to state:

(a) whether it is a fact that Reserve Bank of India has frozen **the** operations of co-operative banks;

(b) if so, the details thereof; and

(c) the number and names of such banks?

THE MINISTER OF STATE IN THE MINISTRY OF. FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The Reserve Bank of India (RBI) issues directions as and when necessary, to co-operative banks (both unban and rural co-operative banks) under Section 35A of the Banking Regulation Act, 1949 on being satisfied that it is necessary to do so in public interest or in the interest of the banking policy and to prevent the affairs of **any** co-operative bank being conducted in a manner detrimental to the interest of the depositors or in a manner prejudicial to the interest of the co-operative bank, etc. The directions may include restrictions on acceptance of fresh deposits, repayment of deposits, grant of fresh loans and advances, investment operations etc. The nature and extent of restrictions vary from bank to bank depending on the circumstances. Broadly, the restrictions are on withdrawal of deposits beyond a specified sum, complete ban/ restrictions on acceptance of fresh deposits, complete or partial ban on grant of advances, restriction on alienation of assets, restricition on expenditure etc. List of UCBs placed under directions by RBI is at Statement-I (See belowj. List of State Co-operative Banks/District Central Co-operative Banks placed under directions is at Statement-ll.